

Amendment No. 1 to HB1599

Forgety
Signature of Sponsor

AMEND Senate Bill No. 1649

House Bill No. 1599*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 11, Part 1, is amended by adding the following as a new section:

(a) An employer that accepts or employs a student who is participating in work-based learning coordinated through the student's LEA or a state institution of higher education, including, but not limited to, Tennessee colleges of applied technology:

(1) Shall not be liable for actions relating to that student unless the employer acted willfully or with gross negligence; and

(2) May elect to provide workers' compensation insurance coverage to compensate a participating student for any injury that is covered under the Workers' Compensation Law, compiled in title 50, chapter 6. Notwithstanding subdivision (a)(1), if an employer elects to provide workers' compensation insurance coverage pursuant to this subdivision (a)(2):

(A) The coverage shall serve as the participating student's exclusive remedy for any compensable injury that is covered under the Workers' Compensation Law; and

(B) The employer shall not disclaim the participating student's eligibility for such coverage.

(b) An LEA or state institution of higher education that coordinates work-based learning for students shall maintain liability insurance coverage for all participating students. If an employer elects to provide workers' compensation insurance coverage to a participating student pursuant to subdivision (a)(2), then the LEA or state institution of

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higher education shall maintain liability insurance coverage to compensate the participating student for any injury that is not covered under the Workers' Compensation Law.

(c) For purposes of this section, an employer shall not be prohibited from employing a student who is under the age of eighteen (18); provided, that the employer is in compliance with state and federal law.

SECTION 2. Tennessee Code Annotated, Section 67-4-2009, is amended by adding the following as a new subdivision:

(10)

(A) There shall be allowed against the sum of the taxes imposed by the Franchise Tax Law, compiled in part 21 of this chapter, and by this part, a credit equal to five hundred dollars (\$500) for each qualified work-based learning student employed by a taxpayer in this state during the period covered by the return.

(B) For purposes of this subdivision (10), a qualified work-based learning student for whom the credit is being claimed by the taxpayer must:

(i) Be enrolled in a secondary or postsecondary work-based learning course;

(ii) Receive academic credit or credit toward completion of a career and technical education program for the work-based learning course;

(iii) Perform the duties associated with the work-based learning course in this state; and

(iv) Be supervised by a teacher, faculty member, or staff member of the LEA or state institution of higher education.

(C) The credit allowed under this subdivision (10) shall be limited to five thousand dollars (\$5,000) per taxpayer in any tax year. Any unused credit may be carried forward in any tax period until the credit is taken; provided, however, that the credit shall not be carried forward for more than five (5) taxable years.

(D)

(i) The total amount of credit provided to taxpayers under this subdivision (10) shall not exceed one million dollars (\$1,000,000) for any calendar year.

(ii) If the total amount of credit claimed by taxpayers for any calendar year exceeds the limitation of subdivision (10)(D)(i), the credit to be received by each taxpayer must be the product of one million dollars (\$1,000,000) multiplied by the quotient of the credit claimed by the taxpayer divided by the total of all credits claimed by all taxpayers.

(iii) A taxpayer must submit an application, in a form prescribed by the department, along with any supporting documentation required by the department, by July 15 following the calendar year in which the taxpayer employed a qualified work-based learning student. No tax credit shall be allowed under this subdivision (10) to a taxpayer that fails to submit an application by the July 15 deadline.

(iv) By September 15 following the July 15 deadline established in subdivision (10)(D)(iii), the department shall notify the taxpayer of the amount of the credit allowed under this subdivision (10).

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to tax years beginning on or after January 1, 2018.